

# **Exhibit 2**

---

**From:** Richard Markowitz <Rmarkowitz@argremgt.com>  
**Sent:** Thursday, March 17, 2011 2:26 PM  
**To:** Ben-Jacob, Michael  
**Cc:** John Van Merkensteijn, III; Matthew Stein; Jérôme LHOTE; Adam Larosa  
**Subject:** Detailed steps of a Transaction  
**Attachments:** Expected Single Trade Cash Flows\_Daimler.pdf

Michael:

Please see the attached document that has been prepared by the Investment Manager, Solo Capital.

It gives the details for one of the trades, including the fact that the positions are fully hedged and that they are unwound for the same settlement day.

Please call if you need me to explain anything here.

Rich

--

Richard Markowitz  
Managing Director  
Argre Management LLC  
40 West 57th Street  
20th Floor  
New York, NY 10019

Tel: (212) 247-2600  
Fax: (212) 247-2753  
Mobile: (917) 848-5675

[RMarkowitz@Argremgt.com](mailto:RMarkowitz@Argremgt.com)

----- Forwarded Message

**From:** Raj Shah <[Raj.shah@solo-capital.com](mailto:Raj.shah@solo-capital.com)>  
**Date:** Thu, 17 Mar 2011 10:56:24 -0700  
**To:** Richard MARKOWITZ <[rmarkowitz@argremgt.com](mailto:rmarkowitz@argremgt.com)>, Matthew Stein <[mstein@argremgt.com](mailto:mstein@argremgt.com)>  
**Cc:** Sanjay Shah <[sanjay.shah@solo-capital.com](mailto:sanjay.shah@solo-capital.com)>, Guenther Grant-Klar <[guenther.grant-clar@solo-capital.com](mailto:guenther.grant-clar@solo-capital.com)>

Richard, Matt,

As requested attached is the revised transaction example assuming we use a foundation to undertake the transaction.

Kind regards,  
Raj

This email message has been delivered safely and archived online by Mimecast.  
For more information please visit <http://www.mimecast.com>

---

----- End of Forwarded Message

### Sample Transaction Expected Cash Flows

Using the Daimler AG dividend as an example, the timeline and related cash flows would look as follows. Assuming the price of Daimler is Eur45.28 for the whole period and the interest rate is 0%; also the Foundation is entitled to 100% of the dividend while the net dividend in Germany is 73.625%.

- (1) April 13<sup>th</sup> – Daimler AG has declared a gross dividend of Eur1.85 per share (Eur1.3620625 net). Through an interdealer broker (IDB), Solo Capital Limited (Solo) would place a buy order for 9,700,000 Daimler shares at Eur45.28 per share, with settlement date 15<sup>th</sup> April. Notional of the trade is 439,216,000 EUR.
- (2) April 13<sup>th</sup> - Through an IDB, Solo would place a sell order for 97,000 Daimler single stock Liffe futures (multiplier 100) expire on April 15<sup>th</sup> (April 2011 expiry), at Eur43.80 per share (80% of the dividend). The futures would be cash settled. The futures price is calculated as Eur45.28 share price less Eur1.48 dividend (80%). Please note that in order to simplify the calculation we have assumed interest rates are 0% and that the share price stays at Eur45.28.
- (3) April 13<sup>th</sup> – Assuming the IDBs can find liquidity for the orders, the equity would be given up to the Foundation's custody account while the future trades would be given up to the Foundation's future account.
- (4) April 13<sup>th</sup> – The Foundation pays brokerage commission of Eur5,490 for the equity order (1/8<sup>th</sup> bp).
- (5) April 14<sup>th</sup> (ex-date) – The initial margin is calculated on the future position, for this trade it is Eur39,846,994 (439,216,000 \* 9.072%). This cash amount needs to be posted to the clearers account.
- (6) April 14<sup>th</sup> – The Foundation, as the beneficial owner of the shares on the record date, receives a compensation payment from the custodian, equal to the net dividend amount of Eur13,212,006.
- (7) April 14<sup>th</sup> – Through the IDB, Solo will place a sell order for 9,700,000 Daimler shares at Eur45.28 for settlement date 15<sup>th</sup> April.
- (8) April 14<sup>th</sup> – Through the IDB, Solo will place a buy order for 97,000 Daimler April 2011 expiry futures at a price of Eur45.28.
- (9) April 14<sup>th</sup> – Assuming the IDBs can find liquidity for the orders, the equity would be given up to the Foundation's custody account while the future trades would be given up to the Foundation's future account.
- (10) April 14<sup>th</sup> – The Foundation pays brokerage commission of Eur5,490 for the future order (1/8<sup>th</sup> bp).
- (11) April 14<sup>th</sup> – On the behalf of the Foundation, Acupay would file a tax reclaim with the Federal Tax Office, in the amount of Eur4,732,994, which is 26.375% of the gross dividend. The fund pays Eur7,185 fee for the reclaim.
- (12) April 15<sup>th</sup> – Close out of the cash future settles, amount Eur14,356,000 ((45.28 – 43.8) \* 9,700,000) is transferred from the Foundations account to the Liffe Exchange.
- (13) April 15<sup>th</sup> – Liffe exchange returns the initial margin to the Foundation, Eur39,846,994.
- (14) April 15<sup>th</sup> – The purchased shares settle versus Eur439,216,000 and they are then delivered out versus Eur439,216,000. This ensures that the Foundation has no open positions in the security.
- (15) July 11<sup>th</sup> – Approximately after 3 months, through Acupay, the Foundations should receive the reclaim.